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**MINA' TRENTA NA LIHESLATURAN GUAHAN
2009 (FIRST) Regular**

Bill No. 265-30 (COR)

Introduced by:

FRANK B. AGUON 

AN ACT RELATIVE TO RESTRICTING THE GUAM WATERWORKS AUTHORITY'S ISSUANCE OF ESTIMATED BILLINGS TO ITS CONSUMERS, AND PLACING RESTRICTIONS ON BACK-BILLING BEYOND NINETY DAYS, BY ADDING A NEW §14119 AND §14119.1 TO ARTICLE 1 OF CHAPTER 14, TITLE 12, GUAM CODE ANNOTATED; AND, TO AUTHORIZE THE GUAM WATERWORKS AUTHORITY TO EXERCISE EMERGENCY PROCURMENT PROCEDURES TO IMMEDIATELY PROCURE ACCURATE METERS.

1 BE IT ENACTED BY THE PEOPLE OF GUAM:

2 Section 1. Legislative Finding and Intent. I Liheslaturan Guahan finds that an
3 unfair burden is being inflicted upon Guam Waterworks Authority consumers when
4 inaccurate estimated billings are issued in lieu of billings issued pursuant to an actual,
5 accurate reading of the consumers' meter. Contrary to the heralded implementation of a
6 new cost-effective and accurate Automated Meter Reading system for water meters, the
7 actual reality has been a severe decline in the accuracy of readings and billings. Further,
8 due to the fact that the new meters are secured in locked security boxes, consumers are
9 unable to read and project their water consumption rate. Without accurate billings,
10 consumers can neither implement sound conservation practices, nor determine if they
11 may possibly have a leak upon their side of the meter with an excessive water loss for
12 which they are ultimately liable. This then results in situations where consumers may
13 suddenly be impacted with an extremely high billing once the meter is actually read.
14 This is contrary to the purported benefits that the new system would provide by

1 facilitating the consumers monitoring of their consumption rate and thereby assist in the
2 detection of possible leaks.

3 The practice of back-billing consumer accounts for amounts not previously billed
4 and which are aged in excess of ninety (90) days is an unfair practice. The failure of a
5 utility to issue accurate billings on a timely basis cannot remain solely the burden of the
6 consumer. The responsibility and liability should, in all fairness, be shared.

7 It is the intent of *I Liheslatura Guahan* to facilitate the timely installation of
8 accurate meters, as well as the implementation of efficient and accurate meter reading
9 practices, and thus assure the issuance of accurate billings.

10 It is the intent of *I Liheslatura Guahan* to prohibit the onerous practice of back-
11 billing for previously unbilled services aged in excess of ninety (90) days.

12 **Section 2.** A new §14119 is added to Article 1 of Chapter 14, Title 12, Guam
13 Code Annotated, to read:

14 “**§14119. Restrictions on Estimated Billings.** Notwithstanding any other
15 provision of law, the Authority is prohibited from issuing estimated billings to consumers
16 of all classes for more than three consecutive billing cycles [or a period not to exceed
17 ninety (90) days]. Thereafter, the Authority shall, prior to issuing a subsequent billing,
18 have the meter read by whatever means necessary so as to ensure that the next billing is
19 based upon an actual, accurate reading of the meter.”

20 **Section 3.** A new §14119.1 is added to Article 1 of Chapter 14, Title 12, Guam
21 Code Annotated, to read:

22 “**§14119.1. Prohibition on Back-Billing in excess of ninety (90) days.** The
23 Authority shall be prohibited from back-billing for services not previously billed for
24 which are aged in excess of ninety (90) days. The Authority, in keeping with the intent
25 of this section, shall not roll into or comingle past services not previously billed for into a
26 current billing cycle.”

1 **Section 4. Emergency Procurement Authorized.** The Authority is authorized to
2 implement and exercise emergency procurement procedures for any expenditures directly
3 pertaining to meter installations, repairs and/or replacements, as necessary to facilitate the
4 completion of a functional, accurate metering system. The Authority is further
5 authorized to implement overtime pay, if or as necessary, for personnel directly involved
6 in the installation, repair, replacement and/or reading of water meters, for a period of one
7 hundred and twenty (120) days from the enactment of this Act.

8 **Section 5.** The Authority shall, via the Consolidated Utilities Commission and *I*
9 *Maga'lahaen Guahan*, report on and submit monthly to *I Liheslaturan Guahan*, all
10 information, inclusive of documentation and status reports, relative to the exercise and
11 use of the provisions authorized pursuant to this section/Act.